

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

February 18, 2003
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Deputy Mayor Degginger, and Councilmembers Davidson, Lee, and Mosher

ABSENT: Mayor Marshall and Councilmembers Creighton and Noble

1. Executive Session

Deputy Mayor Degginger opened the meeting at 6:00 p.m. and announced recess to Executive Session for approximately 15 minutes to discuss one item of potential litigation.

The Study Session resumed at 6:25 p.m. with Deputy Mayor Degginger presiding. He proposed moving agenda item 2(d) to 2(b) and Council concurred.

2. Study Session

(a) Emergency Management Accreditation Program

City Manager Steve Sarkozy noted the City of Bellevue was selected last year as one of two local communities to pilot a new national accreditation process for emergency management programs.

Emergency Preparedness Manager Barb Graff explained that the emergency management accreditation program was designed by several agencies and organizations including the National League of Cities, National Association of Councils, FEMA (Federal Emergency Management Agency), and the National Emergency Management Association. Following the District of Columbia, Bellevue is the first city to participate in the pilot program. The program provides third-party professional review of all program elements.

Ms. Graff reviewed the steps to accreditation. Since Bellevue volunteered for the pilot program, the City avoided having to pay \$8,500 for the accreditation process. The City completed a self assessment of 54 standards/elements within its emergency management program and hosted an on-site assessment team of six emergency managers from around the country. This team is now preparing a formal report to be forwarded to the Accreditation Commission.

Program elements evaluated include program management, laws and authorities, hazard mitigation, resource management, control and coordination, hazard and risk assessment, planning, operations and procedures, training, communications, exercises, logistics and facilities, crisis communication, and public education. Ms. Graff said the City was found to have an excellent track record of mitigating identified natural, technological, and human-caused hazards through strategies such as building construction standards, land use practices, seismic retrofitting, protective systems and equipment, and hazard warning capabilities. The City was rated well for its resource management and mutual aid agreements.

To evaluate planning, the assessment team reviewed the Fire Department's Strategic Plan as well as the City's Emergency Operations Plan. Bellevue has not yet adopted a formal Hazard Mitigation Plan but this item is part of this year's work plan. Ms. Graff noted that hazard mitigation policies have been part of the Comprehensive Plan and the Capital Investment Program (CIP) Plan for many years. The assessment team concluded that the only two items found not in compliance will be addressed with the City's adoption of a Hazard Mitigation Plan. Bellevue was rated favorably for being one of only a few communities that have developed a post-disaster recovery plan to ensure continuity of operations.

The assessment team evaluated direction, control and coordination by reviewing the City's incident management system, specified roles and responsibilities, and coordination with nonprofit organizations, businesses, community groups, and other jurisdictions. They reviewed the City's methods of communications/warnings and were pleased with the "reverse 911" outbound calling system that enables the City to disseminate information in case of a community-wide emergency. The assessment team found that Bellevue's operations and procedures are well designed to address the most likely and highest impact emergencies. Similarly, the City's program was found to be strong in the areas of training, exercises, logistics and facilities, crisis communication, and public education.

Summarizing, Ms. Graff said the City of Bellevue was found to be in compliance with 52 of 54 standards evaluated. The two non-compliant items will be addressed by writing and adopting a hazard mitigation plan. The assessment team was impressed with the City's program and the level of support for the program throughout the organization. Mr. Sarkozy participated in the team's exit interview and feels the City is well prepared to respond to an emergency.

Councilmember Mosher commended Ms. Graff and staff for their outstanding work. Dr. Davidson thanked staff for their full commitment to building the City's emergency management program over the past 11 years.

Responding to Mr. Lee, Ms. Graff said the City's hazard mitigation practices are in compliance with recommended practices. These practices will be formally documented in a hazard mitigation plan this year. Mr. Lee thanked staff for taking the initiative to participate in the accreditation process.

Deputy Mayor Degginger thanked staff for their hard work and said he looks forward to reading the full report.

Ms. Graff provided an update on the upcoming TOPOFF II exercise. Due to the possibility of war with Iraq, it is likely that: 1) the exercise will be canceled, 2) federal participation will be curtailed, or 3) the exercise will be postponed to a later date. Ms. Graff suggested a continued commitment to participating in the exercise during the week of May 12, particularly since few staff are involved. The City's Emergency Operations Board will be available May 12, 13, and 14. Council is asked to be available the evenings of May 13 and 14. Participating Eastside cities include Issaquah, Mercer Island, and Woodinville. Ms. Graff invited Councilmembers to a training session for elected officials on Friday, April 11.

(b) Update on Ground Zero Teen Center

Mr. Sarkozy recalled discussions with Council in late 2001 about noise impacts at Ground Zero Teen Center in the Bellevue Boys and Girls Club (BBGC). Parks and Community Services Director Patrick Foran introduced Kathy Haggart, President of BBGC, and Jerry Lilly, JGL Acoustical. Mr. Foran said the purpose of tonight's agenda item is to provide an update on the noise mitigation measures and to discuss renewal of the City's agreement with BBGC to operate Ground Zero Teen Center [Regular Session Agenda Item 8(d)].

Mr. Foran explained that Bellevue Boys and Girls Club worked with design guidelines and specifications developed by JGL Acoustical to implement an extensive renovation program over the summer. The renovation consisted of constructing new interior walls, replacing windows and doors, and installing a new HVAC (heating, ventilation and air conditioning) system. BBGC paid for the \$80,000 renovation. The consultant's design results in sound levels at least 5dB below noise ordinance limits.

Mr. Foran said the new contract with BBGC eliminates live music concerts on Friday nights. Saturday night concerts can be held until 11:30 p.m. BBGC employees are now required to wear earplugs, which are also available free of charge to concert patrons.

Ms. Haggart thanked Councilmembers for their patience while the noise mitigation construction was completed. She is pleased with the building improvements including air conditioning that the building did not have previously.

Mr. Foran said the Police Department has not received any noise complaints since Ground Zero reopened in August 2002.

Councilmember Lee thanked Bellevue Boys and Girls Club for its partnership with the City and the building improvements.

Deputy Mayor Degginger expressed Council's appreciation for the project.

(c) Puget Sound Energy Franchise Program Report

Mr. Sarkozy noted that Puget Sound Energy's electric franchise agreement with the City will expire on May 15, 2003.

Transportation Assistant Director Nora Johnson said the draft agreement addresses nearly all of the priorities identified by Council and staff several months ago. Council direction is requested on a few items in which agreement has not been reached, however.

Franchise Manager David Kerr reviewed the key franchise issues previously identified by Council and staff:

- Improve performance and reliability.
- Establish relocation responsibilities.
- Agree on cooperation for undergrounding program.
- Secure City network facilities.
- Develop a vegetation management plan.

Performance and reliability covers a number of items. Negotiators have reached a tentative agreement on bonding and insurance requirements and emergency management collaboration. However, two areas of disagreement are performance measures for reliability and liquidated damages/enforcement. The two outstanding performance measure issues relate to: 1) a request that PSE provide maps of its system installation in City rights-of-way and utility easements, and 2) establishment of criteria regarding the number and duration of power outages in Bellevue. PSE is concerned the maps would be subject to public disclosure. Mr. Kerr said PSE is willing to provide maps of its infrastructure to the City on a project basis. The City's position is that this information is necessary for the management of rights-of-way and overall utility planning. Regarding the second issue, Mr. Kerr said the City would like to be able to identify sections of the community that experience higher than average outages and to specify corrective actions.

Mr. Kerr said the liquidated damages and enforcement issues are centered on: 1) the scope of proposed arbitration in case of future disputes, and 2) the inclusion of liquidated damages for certain franchise violations. The City and PSE have not been able to agree on specific enforcement mechanisms. The City has proposed limited arbitration for certain franchise violations. PSE would like to negotiate the scope of this arbitration and is not in favor of liquidated damages for specific violations.

Moving on, Mr. Kerr said relocation responsibilities will be addressed in both the franchise agreement and a memorandum of understanding (MOU). A relocation timeline and process has been developed, and the MOU provides implementation details to protect against the risk of delays. Mr. Kerr said there is no disagreement about the need for these provisions but specific language has not been finalized. He noted that an MOU was developed for this item because it will be easier to modify, if necessary based on future experience, than the franchise agreement.

Mr. Kerr said the City and PSE have agreed to develop and implement an undergrounding program in Bellevue. The City would like new distribution facilities to be installed underground. City network facilities' issues include pole attachments for City use, a mechanism for City access, and the installation of City-owned communications equipment, wires and/or fiber at no cost to the City. Turning to vegetation management, Mr. Kerr noted the competing interests of aesthetics and the safety and reliability of the system.

Mr. Kerr said staff plans to return to Council on April 28 for a discussion of the final draft franchise agreement. Council action is scheduled for May 5, 2003. He requested Council direction on the following issues:

- Whether the proposed draft franchise agreement, as a whole, meets the City's objectives.
- Whether each of the identified priorities have been adequately addressed either in the draft franchise agreement or an MOU.
- How to proceed on issues in which negotiators have been unable to reach agreement:
 - Performance measures for reliability – Request that PSE provide maps of its system and the establishment of criteria regarding outages.
 - Liquidated damages/enforcement – Scope of arbitration and inclusion of liquidated damages for specific franchise violations.

Responding to Mr. Mosher, Mr. Kerr said PSE is concerned that its system maps would be disclosable to the public if obtained by the City. Mr. Kerr said guidelines about public disclosure exemptions related to homeland security are the subject of discussion but have not yet been established.

Mr. Mosher asked whether other cities have provisions in their franchise agreements with PSE regarding power outages. Mr. Kerr said PSE established a MOU with the City of Mercer Island in 1994 that addresses the identification of areas with higher-than-average outages as well as goals regarding the frequency and duration of outages. PSE's position now is that this particular issue more appropriately falls under the authority of the Washington Utilities and Transportation Commission (WUTC). Mr. Kerr described a resident who calls the City on a regular basis to report outages on her block. She feels the WUTC is not addressing the situation and would like the City to intervene.

Mr. Lee noted the apparent complexity of the negotiations and the difficulty this creates in terms of providing direction and comments. He suggested approaching the outage issue as an objective rather than a requirement with associated penalties. Mr. Kerr said the draft franchise agreement has come a long way in terms of addressing outages. However, when the City requests information about the average number of outages by area and how underperforming systems will be corrected, the City and PSE cannot reach agreement on how to handle these issues. Ms. Johnson indicated that Council direction is needed in terms of how much staff should push for certain provisions and requirements.

Regarding PSE's maps of its system, Dr. Davidson suggested an arrangement in which the City would be able to view the maps at PSE when needed. Mr. Kerr agreed with this approach but noted the drawings and maps would not be readily available to City staff. Ms. Johnson feels release of the maps would not jeopardize homeland security but it would assist the City in its management of rights-of-way and easements.

Mr. Sarkozy suggested scheduling a Council discussion before April 28 to review the language proposed by the City and PSE on particular issues.

Deputy Mayor Degginger is pleased to hear that considerable progress has been made in the negotiations. He noted Council's interest in identifying common ground as it pertains to the PSE system map issue and encouraged a cooperative approach to monitoring and minimizing outages.

Deputy Mayor Degginger concurred with Mr. Sarkozy's suggestion regarding the need for additional Council discussion.

Responding to Dr. Davidson, Mr. Kerr said PSE currently does not report outages to the City. Dr. Davidson suggested a reporting provision as a starting point on this issue. Mr. Mosher suggested developing interim measures based on industry standards related to outages and system performance.

(d) Utilities Customer Information System (CIS) Replacement Project

Chief Information Officer Toni Cramer described the Utilities Customer Information System (CIS) Project, which will replace the City's 15-year-old utilities billing and information system. The project has been through the RFP (request for proposals) process and the City is now in final contract negotiations with the vendor of choice, Advanced Utility Systems, Inc. A contract associated with the Start-up phase will appear on Council's next Consent Calendar and Phase 1 is scheduled to begin in April.

Ms. Cramer said the CIS Replacement Project is designed to enhance customer service and improve overall efficiency. It will provide better access to data and facilitate easier report generation and rate analysis/modeling. It will enable the City to consider hosting an e-Gov alliance for utility billing processing for other cities.

Nav Otal, Utilities Assistant Director, briefly reviewed the RFP process that began in June 2001 and led to the selection of Advanced Utility Systems, Inc. in February 2002. Staff members conducted a detailed site assessment from April to July 2002 and are currently involved in contract negotiations. The Start-up Phase will begin in March 2003, followed by Phase 1 implementation in April. Phase 1 completion is scheduled for the first quarter of 2004.

Ms. Otal said Advanced Utility Systems is based in Toronto, Canada, and specializes in utility billing systems. They have been in business since 1997 and have 80 employees. The company has 55 active utilities customers in Canada and the United States including the largest, Hydro Ottawa with 270,000 accounts, and the closest customer to Bellevue, the City of Everett with 24,000 accounts. Annual company revenues were \$9.9 million in 2002.

Ms. Otal said the estimated cost of Phase 1, CIS Infinity Implementation, is \$1.7 million. This includes major one-time costs such as hardware, software, ITD services, training, and vendor implementation services. Phase 2 will implement Internet customer billing in 2004 and Phase 3 represents rate modeling functions to be implemented in 2005. Ms. Otal noted that Council will be taking action in the coming months on contracts with Advanced Utility Systems as well as contracts for hardware purchases and other vendor services associated with the project. Annual maintenance and operations costs are estimated at \$185,000 following full implementation.

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Responding to Councilmember Lee, Ms. Ota said the Start-up Phase will help to provide assurance regarding desired project deliverables and system costs.

At 7:58 p.m., Deputy Mayor Degginger thanked staff for the presentation and announced recess to the Regular Session.

Myrna L. Basich
City Clerk

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